

SECRET

Approved For Release 2000/05/12 : CIA-RDP79T01049A000300170001-9

D/R

7 September 1951

D/S

IP-225 - Sources of Rubber for USSR and Satellites

1. The volume in metric tons of raw or natural rubber, including latex, reported shipped as re-exports or transshipments from European sources, to the USSR and its European Satellites during the calendar years 1949, 1950, and several months of 1951 were as follows:

Source	1949	1950	1951
UK	5,417	12,275	5,608 ²
Netherlands	35,671	9,772	1,960 ²
West Germany	21,126	20,036 ¹	n.a.
Belgium	940	184	n.a.
Total	63,244	42,267	7,568

- 1/ First ten months of 1950
- 2/ First three months of 1951
- 3/ First five months of 1951

Some of the West German and UK shipments may include duplications of shipments reported from Southeast Asia.

2. a. The USSR reportedly received directly from Southeast Asia (Malaya) during 1949, 1950 and the first six months of 1951 the following quantities of raw rubber in metric tons:

1949	1950	1951 (6 mo.)
63,414	68,058	15,661

b. China reportedly received directly from Southeast Asia (Malaya, Ceylon and re-exports from Hong Kong) the following quantities of raw rubber in metric tons:

Source	1949	1950	1951 (6 mo.)
Malaya	6,990	38,568	22,727
Ceylon	1,265	75	n.a.
Hong Kong (Re-exports)	16,412	39,118	34,505
Total	24,667	77,761	57,232

Additional quantities, especially during 1950 and 1951, have been acquired via Macao and probably by smuggling. No estimate can be made of amounts so acquired.

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IP-225

- 2 -

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The UK-USSR trade agreement stipulated that the UK would facilitate procurement of rubber by the USSR, and recent reports indicate that the UK plans to allow the USSR about 80,000 metric tons for the present calendar year. Poland and other satellite countries having trade agreements with the UK and Netherlands, both of which re-export rubber obtained in Southeast Asia, may be expected to obtain allocations based on past requirements.

Raw or natural rubber is not subject to effective export controls except in regard to shipments from non-Communist areas to Communist China and North Korea. There are a few exceptions. Ceylon states that an embargo is unnecessary because of the inability of Communist China to arrange shipping facilities. Effective controls have not been established by the Portuguese colony of Macao. The restrictions do not apply to shipments to the USSR or its European Satellites.

The estimated quantity of raw rubber imports by the USSR and European Satellites from European sources between July 1951 and July 1952 is 30,000 to 40,000 metric tons.

The estimated quantity of raw rubber imports by the USSR directly from Southeast Asian sources is about 75,000 metric tons, by the European Satellites 10,000 to 20,000 metric tons, and by Communist China 30,000 to 50,000 metric tons. Total imports by the USSR Orbit, including China, may be between 145,000 and 185,000 metric tons. A figure of 170,000 metric tons appears to be a realistic appraisal.

3. Natural rubber is an indispensable war material. It is an absolute essential in the production of heavy duty tires for trucks and airplanes and is important as a protective covering for equipment, clothing, and footwear. Except for certain technical and surgical goods, the natural rubber is mixed with the synthetic product.

The irreducible minimum of natural rubber requirements of the USSR Orbit cannot be estimated as the percentage used in admixture is not known.

25X1A



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21 August 1951

STATINTL

What contributions can you make to the following questions which have been presented to CIA? Export controls and smuggling are factors to consider.

1. Estimate of dollar value (quantity in long tons, if possible) of raw rubber that can be expected to reach the USSR and European Satellites from European sources, including the UK, between July 1951 and July 1952.

2. Estimate of dollar value (quantity in long tons, if possible) of raw rubber that will probably reach (a) Russia and (b) Communist China, directly from Southeast Asian sources.

3. Discussion of the significance of this raw rubber to the Communist-bloc war potential.

STATINTL

HAB:jmc

cc: Addressees (2)
D/R (1)
D/S

Project: IP-225

CENTRAL INTELLIGENCE AGENCY
OFFICE OF RESEARCH AND REPORTS
Project Initiation Memorandum

20 August 1951

To: D/S
From: D/R
Subject: Sources of Rubber for USSR and Satellites

Statement of Project

25X1A

Origin: OFC [REDACTED]

Problem: To estimate value and quantity of rubber expected to reach
(1) USSR and Satellites from European sources and (2) USSR
and Communist China from Southeast Asian sources.

Scope: In making the following estimates, export controls and smuggling
should be considered.

1. Estimate of dollar value (quantity in long tons, if possible)
of raw rubber that can be expected to reach the USSR and
European Satellites from European sources, including the UK,
between July 1951 and July 1952.
2. Estimate of dollar value (quantity in long tons, if possible)
of raw rubber that will probably reach (a) USSR and (b) Communist
China, directly from Southeast Asian sources.
3. Discussion of the significance of this raw rubber to the Communist
 bloc war potential.

Internal CIA Contributions or Coordination: D/A, D/M
Form: Memorandum (original and 2 copies)

Deadline: As soon as possible

Classification: Secret

Dissemination: Requester only

Distribution:

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**CENTRAL INTELLIGENCE AGENCY
OFFICE OF RESEARCH AND REPORTS**

11 September 1951

MEMORANDUM

SUBJECT: Sources of Rubber for USSR and Satellites

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^{a/} First ten months of 1950

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The estimated quantity of annual raw rubber imports by the USSR directly from Southeast Asian sources is about 75,000 metric tons; by the European Satellites, from 10,000 to 20,000 metric tons; and by Communist China, from 30,000 to 50,000 metric tons. Total imports by the Soviet Orbit, including China, may be from 145,000 to 185,000 metric tons. A figure of 170,000 metric tons appears to be a realistic appraisal.

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- 2 -

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